

FIRST REGULAR SESSION

HOUSE COMMITTEE BILL NO. 10

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE ENGLER.

2380H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 208.690, 316.160, 376.620, and 379.160, RSMo, and to enact in lieu thereof nine new sections relating to insurance proceedings.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 208.690, 316.160, 376.620, and 379.160, RSMo, are repealed and nine new sections enacted in lieu thereof, to be known as sections 208.690, 316.160, 374.191, 376.620, 376.625, 376.1110, 379.160, 379.386, and 379.387, to read as follows:

208.690. 1. Sections 208.690 to 208.698 shall be known and may be cited as the "Missouri Long-term Care Partnership Program Act".

2. As used in sections 208.690 to 208.698, the following terms shall mean:

(1) "Asset disregard", the disregard of any assets or resources in an amount equal to the insurance benefit payments that are used on behalf of the individual;

(2) "Missouri qualified long-term care partnership approved policy", a long-term care insurance policy certified by the director of the department of insurance, financial institutions and professional registration as meeting the requirements of:

(a) The National Association of Insurance Commissioners' Long-term Care Insurance Model Act and Regulation as specified in 42 U.S.C. 1917(b); and

(b) The provisions of Section 6021 of the Federal Deficit Reduction Act of 2005;

(3) "MO HealthNet", the medical assistance program established in this state under Title XIX of the federal Social Security Act;

(4) "State plan amendment", the state MO HealthNet plan amendment to the federal Department of Health and Human Services that, in determining eligibility for state MO HealthNet benefits, provides for the disregard of any assets or resources in an amount equal to

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 the insurance benefit payments that are made to or on behalf of an individual who is a beneficiary
18 under a qualified long-term care insurance partnership policy.

19 **3. Any whole life insurance policy with long-term care riders shall qualify for the**
20 **Missouri qualified long-term care partnership approval policy if such policy meets the**
21 **qualifications set forth in paragraphs (a) and (b) of subdivision (2) of subsection 2 of this**
22 **section.**

316.160. Application for a license to operate, maintain or conduct a festival shall be
2 made in writing to the county clerk at least sixty days prior to the time indicated for the
3 commencement of the planned festival and shall be accompanied by a nonrefundable application
4 fee established by the governing body of the county but not more than one hundred dollars. The
5 application, at the discretion of the governing body of the county, shall contain the following
6 information:

7 (1) The name, age, residence and mailing address of the person making the application.
8 If the application is made by a partnership, the names and addresses of the partners must appear.
9 Where the applicant is a corporation the application must be signed by the president, vice
10 president and secretary of the corporation and must contain their addresses, and a certified copy
11 of the articles of incorporation shall be submitted with the application;

12 (2) Proof of financial worth of the individuals or corporation. The proof of indemnity
13 against injury or loss to persons or property and said amount and form of the indemnity shall be
14 prescribed by the governing body of the county. **However, members of the fair board of**
15 **directors in any county of the third classification with a township form of government and**
16 **with more than nine thousand but fewer than ten thousand inhabitants and with a special**
17 **charter city with more than three thousand but fewer than four thousand inhabitants as**
18 **the county seat, any county of the third classification without a township form of**
19 **government and with more than twenty-three thousand but fewer than twenty-six**
20 **thousand inhabitants and with a city of the third classification with more than five**
21 **thousand but fewer than six thousand inhabitants as the county seat, and any county of the**
22 **third classification with a township form of government and with more than nine thousand**
23 **but fewer than ten thousand inhabitants and with a special charter city with more than**
24 **three thousand but fewer than four thousand inhabitants as the county seat shall not be**
25 **required to have liability insurance;**

26 (3) A written statement of the kind, character, or type of festival which the applicant
27 proposes to operate, maintain or conduct;

28 (4) The address or legal description of the place where the proposed festival is to be
29 operated, maintained or conducted. Additionally, the applicant must submit proof of ownership

30 of the place where the festival is to be operated, maintained or conducted, or a statement signed
31 by the owner of the premises indicating his consent that the site be used for the proposed festival;

32 (5) The dates and hours during which the festival is to be operated, maintained or
33 conducted;

34 (6) An estimate of the number of customers, spectators, participants and other persons
35 expected to attend the festival for each day it is operated, maintained or conducted;

36 (7) The name and address of anyone contributing, investing or having a financial interest
37 greater than five hundred dollars in producing the festival;

38 (8) A detailed written explanation of the applicant's plans to provide security and fire
39 protection, water supply and facilities, food supply and facilities, sanitation facilities, medical
40 facilities and services, vehicle parking space, vehicle access and onsite traffic control, and, if it
41 is proposed or expected that spectators or participants will remain at night or overnight, the
42 arrangements for illuminating the premises and for camping or similar facilities. The applicant's
43 plans shall include what provisions shall be made for numbers of spectators in excess of the
44 estimate, and what provisions shall be made for cleanup of the premises and removal of rubbish
45 after the festival has concluded;

46 (9) A plot plan showing arrangement of the facilities including those for parking, egress
47 and ingress.

**374.191. 1. If an insurance company is required to pay interest on any claims,
2 refunds, penalties, or payments under a market conduct examination, investigation,
3 stipulation of settlement agreement, voluntary forfeiture agreement, or any other legal or
4 remedial action ordered by the department under any law of this state, in which the
5 interest rate is not provided for by law, such claims, refunds, penalties, or payments shall
6 bear interest at the annual adjusted prime rate of interest as determined by section 32.065,
7 but under no circumstance shall such interest rate exceed nine percent per annum.**

**8 2. The provisions of this section shall not apply to payments subject to the
9 provisions of section 376.383 nor any other statute in which the interest rate is specified.**

**376.620. 1. Any life insurance policy, rider, endorsement, amendment, or certificate
2 issued or delivered in this state may exclude or restrict liability under such policy, rider,
3 endorsement, amendment, or certificate, [øf] for death as the result of suicide in the event the
4 insured, while sane or insane, dies as a result of suicide within one year from the date of the issue
5 of [the] such policy, rider, endorsement, amendment, or certificate. If an insured applies for
6 additional death benefits or an increase in death benefits after initial coverage commences,
7 the policy, rider, endorsement, amendment, or certificate may provide for an exclusion for
8 suicide that occurs within one year after any addition or increase in death benefits only to**

9 **the extent of the additional or increased death benefits.** Any such exclusion or restriction
10 shall be clearly stated in ~~[the]~~ **such policy, rider, endorsement, amendment,** or certificate.

11 2. Any life insurance policy, **rider, endorsement, amendment,** or certificate which
12 contains any exclusion or restriction under subsection 1 of this section shall also provide that in
13 the event the insured dies as a result of suicide within one year from the date of issue of ~~[the]~~
14 **such policy, rider, endorsement, amendment, or certificate** that the insurer shall promptly
15 refund all premiums paid for **the excluded or restricted** coverage on such insured.

376.625. 1. The reinstatement of any policy of life insurance or annuity contract
2 **hereafter delivered or issued for delivery in this state may be contested on account of fraud**
3 **or misrepresentation of facts material to the reinstatement only for the same period**
4 **following reinstatement and with the same conditions and exceptions as the policy provides**
5 **with respect to contestability after original issuance.**

6 2. When any life insurance policy or annuity contract is reinstated, such reinstated
7 policy or annuity contract may exclude or restrict liability to the same extent that such
8 liability could have been or was excluded or restricted when the policy or annuity contract
9 was originally issued, and such exclusion or restriction shall be effective from the date of
10 reinstatement.

376.1110. 1. No insurance company licensed to transact business in this state shall
2 **deliver or issue for delivery in this state any policy or certificate of long-term care**
3 **insurance, unless the classification of risks and the premium rates pertaining to such policy**
4 **or certificate have been filed with and approved by the director of the department of**
5 **insurance, financial institutions and professional registration.**

6 2. Rates for long-term care insurance shall not be excessive, inadequate, or unfairly
7 discriminatory. In no event shall the rates charged to any policyholder or certificate holder
8 increase by more than twenty percent during any annual period, unless the insurer clearly
9 documents a material and significant change in the risk characteristics of all its in-force
10 long-term care insurance policies or certificates. All rates for long-term care insurance
11 shall be made in accordance with the following provisions and due consideration shall be
12 given to:

- 13 (1) Past and prospective loss experience;
14 (2) Past and prospective expenses;
15 (3) Adequate contingency reserves; and
16 (4) All other relevant factors within and without the state.

17 3. If an insurance company implements a rate that the director has determined is
18 unreasonable under subsections 1 and 2 of this section, the department shall make such
19 determination public, in a form and manner determined by rule.

379.160. 1. Each fire insurance company doing business in the state of Missouri is hereby required to file the form of policy for use by it in the state of Missouri, covering the responsibilities of the companies as well as the duties of the assured, to be classed and known as the standard fire insurance policy. Said policy form may be approved by the director of the department of insurance, financial institutions and professional registration of the state, and no policy shall be issued in this state carrying risks by fire or lightning by any company which does not embrace the form filed and approved of, as herein provided. There may be printed upon such policy the words "Standard Fire Insurance Policy for Missouri" and there may be inserted before and after the word "Missouri" a designation of any state or states or territory in which such form is standard.

2. In order to encourage readability in insurance policy forms, the director may approve fire insurance policy forms other than the standard fire insurance policy which otherwise meet all requirements of law and are at least as favorable to the insured as the standard fire insurance policy. Any such fire insurance policy form approved by the director shall be deemed to be at least as favorable to the insured as the standard fire insurance policy, and such form is not governed by the terms of the standard fire insurance policy. This provision of this subsection shall apply to all fire insurance policy forms currently submitted for approval, approved in the future, or that have previously been approved by the director.

[2-] 3. All such policies shall have an address of the company in the United States fully printed thereon, to which, in case of loss, the assured may send notice of such loss, and to which notice shall be given within sixty days after the loss.

[3-] 4. The appearance of an adjuster of any company at the place of fire and loss in which said company is interested by reason of an insurance on such property, shall be considered evidence of notice and to be held as a waiver of the same on the part of the company; provided, that on any policies issued upon property, real or personal, or real and personal, there may be attached a coinsurance clause; and provided further, that when a coinsurance clause is attached to any policy a reduction in rate shall be given therefor, in accordance with coinsurance credits that are now or may hereafter be filed as a part of the public rating record in the office of the director of the department of insurance, financial institutions and professional registration in this state, by fire insurance companies, that have been or shall hereafter be approved by the director of the department of insurance, financial institutions and professional registration; provided further, that in all suits brought upon policies of insurance against loss or damage by fire hereafter issued or renewed, the defendant shall not be permitted to deny that the property insured thereby was worth at the time of the issuing of the policy the full amount insured therein

36 on said property covering both real and personal property; and provided further, that nothing in
37 this section shall be construed to repeal or change the provisions of section 379.140.

**379.386. 1. Subject to the provisions of this subsection and subsection 2 of this
2 section, the following insurance coverages shall be exempt from filing requirements with
3 respect to rates and policy forms, where applicable under this chapter, whether the
4 insurance coverage is endorsed to or otherwise made part of another kind of insurance
5 policy or sold as a stand-alone policy:**

- 6 **(1) Aircraft liability and hull insurance;**
- 7 **(2) Surety and fidelity;**
- 8 **(3) Ocean marine;**
- 9 **(4) Boiler and machinery;**
- 10 **(5) Environmental impairment/pollution liability;**
- 11 **(6) Kidnap and ransom;**
- 12 **(7) Political risk or expropriation;**
- 13 **(8) Excess and umbrella liability;**
- 14 **(9) Directors' and officers' liability;**
- 15 **(10) Fiduciary liability;**
- 16 **(11) Employment practices liability;**
- 17 **(12) Errors and omissions and professional liability, other than medical
18 malpractice;**
- 19 **(13) Media liability;**
- 20 **(14) Commercial lines travel risks, including accidental death and dismemberment;**
- 21 **(15) Product liability, product recall, or completed operations when sold in a stand-
22 alone policy;**
- 23 **(16) Cybersecurity, including first and third party commercial lines coverage for
24 losses arising out of or relating to data privacy breaches, network security, computer
25 viruses, and similar exposures;**
- 26 **(17) Highly protected commercial property;**
- 27 **(18) Commercial flood insurance, other than National Flood Insurance Program;**
- 28 **(19) All commercial lines insurance coverages not excluded under subsection 2 of
29 this section if purchased by a commercial policyholder with aggregate commercial
30 insurance premiums of fifty thousand dollars or more, excluding premiums for the types
31 of insurance excluded under subsection 2 of this section; and**
- 32 **(20) Any other commercial lines insurance coverage or risk that the director shall,
33 pursuant to regulation, exempt from rate and policy form filing requirements in order to**

34 promote enhanced competition or to more effectively use the resources of the department
35 that might otherwise be used to review commercial lines filings.

36 2. The provisions of subsection 1 of this section shall not apply to the following
37 kinds of commercial insurance:

38 (1) Workers' compensation;

39 (2) Medical malpractice liability insurance;

40 (3) Nonfleet commercial automobile liability policies covering four or fewer
41 vehicles; and

42 (4) Any coverage issued by an assigned risk or residual market plan under section
43 303.200.

44 3. The director may temporarily reinstate, for a period of no longer than one year,
45 the requirement for rate or form filings under subsection 6 of section 379.321 for a specific
46 insurance coverage specified under subsection 1 of this section if, after a hearing, the
47 director makes a finding that either a reasonable degree of competition does not exist for
48 a specified type of insurance coverage or there has been a pattern of noncompliance by
49 insurers with respect to the laws or regulations governing policy forms or rates used in the
50 state for a specified type of insurance coverage. Such a finding of fact by the director shall
51 specify the relevant tests used to determine whether a lack of reasonable degree of
52 competition exists and the results thereof. In the absence of such specific findings by the
53 director, a competitive market is presumed to exist.

54 4. The exemption of policy forms and rates from the filing requirements of section
55 379.321 shall not affect other laws or regulations adopted by the director governing the
56 content of policy forms or the fairness of rates.

57 5. All policies exempt from filing pursuant to this act shall include, at the time of
58 policy issuance, a notice advising the policyholder that the policy may include forms or
59 rates exempt from filing with the department. Such notice shall be in a common format
60 specified by the director.

379.387. Section 379.386 and this section shall apply to all property and casualty
2 insurance policies issued or renewed on or after January 1, 2018.

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